

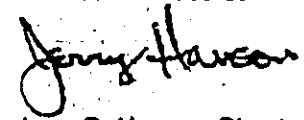
AUG 0 8 1995

90
8
20

TA W107732T

STATE OF OREGON }
County of Washington } SS

I, Jerry R. Hanson, Director of Assessment and Taxation and Ex-Officio County Clerk for said county, do hereby certify that the within instrument of writing was received and recorded in book of records of said county.



Jerry R. Hanson, Director of Assessment and Taxation, Ex-Officio County Clerk

AFTER RECORDING RETURN TO:

Michael P. Opton
Opton, Galton & Rosenthal
621 SW Morrison, Suite 1440
Portland, OR 97205

Doc : 95055118
Rect: 148628 118.00
06/08/1995 01:15:30PM

PERMANENT EASEMENT AGREEMENT

THIS AGREEMENT is made and entered into this 7 day of AUG, 1995 by and between LINKE ENTERPRISES OF OREGON, INC., an Oregon corporation formerly known as FRONTIER LEATHER COMPANY, INC., (hereinafter referred to as ("Grantor") and TRANSPACIFIC INTERNATIONAL, INC., an Oregon corporation (hereinafter referred to as "Grantee"), this agreement is hereinafter referred to as the "Permanent Easement Agreement."

WITNESSETH:

WHEREAS, Grantor and Grantee have entered into a Purchase Agreement dated June 29, 1988 (the "Purchase Agreement"); and

WHEREAS, Grantee pursuant to the Purchase Agreement has purchased certain real property described in Exhibit PE-A attached hereto (the "Property") and certain other assets of the Grantor as specified in the Purchase Agreement; and

WHEREAS, Grantor is the owner of a certain parcel of real property described in Exhibit PE-B attached hereto and by this reference made a part hereof (the "Adjacent Property") which is adjacent to the Property; and

WHEREAS, pursuant to the Purchase Agreement Grantor granted an easement to the Grantee, allowing Grantee to use a portion of the Adjacent Property for the purpose of utilizing the aeration tanks thereon, as well as the plant, sewer lines, and other connecting or servicing lines, including but not limited to electrical power lines, attached to said tanks (the "five year Easement"); and

WHEREAS, by its terms the five year Easement was to expire at midnight August 18, 1993; and

WHEREAS, the parties have informally extended the five year Easement pending completion of a Settlement Agreement of like date herewith between the parties (the "Settlement Agreement") resolving certain claims, but specifically excepting certain claims from said Settlement Agreement; and

WHEREAS, the parties have entered into a Settlement Agreement, Option to Purchase and a Right of First Refusal of like date herewith; and

WHEREAS, the Grantor desires to grant a permanent easement to the Grantee over the property described in Exhibit PE-C hereto (the "Easement Property"), effective midnight August 18, 1993, on the Adjacent Property under the specific terms set forth herein in such a manner so as not to have any time gap in Grantee's right to use the Easement Property; and

WHEREAS, the Grantee desires to receive a permanent easement upon the Adjacent Property, under the specific terms set forth herein; and

WHEREAS, the Easement Property as described in Exhibit PE-C is described in two (2) parts, Part 1 being the subject of the Option to Purchase, covering approximately three (3) acres and Part 2, consisting of a portion of the Easement Property consisting of the underground sewer line crossing the Adjacent Property and an Easement 15' on both sides of the center line described in Exhibit PE-C hereof;

NOW, THEREFORE, in consideration of the promises contained herein and as an inducement to the parties to enter into the Settlement Agreement of even date herewith, it is agreed as follows:

1. Permanent Exclusive Use Easement.

The Grantor conveys to the Grantee, its successors, and assigns, for its permanent, unencumbered use and the use of its agents and invitees, a Permanent Easement described as follows:

A. To enter on and use the Easement Property described above for the treatment, discharge and disposal of Permitted Waste from the Property and to do all things consistent therewith including but not limited to utilizing the aeration tanks on the Easement Property.

B. To use, repair, improve, reconstruct, replace and maintain as provided herein the aeration tanks, sewer lines, electrical power lines serving the entire Easement Property for all

legal and permitted purposes including but not limited to the operation, repair, construction, maintenance and testing of the waste treatment and disposal equipment which is located on the Easement Property Part 1.

C. To use the Easement Property for environmental tests, clean-up and removal including but not limited to drilling and soil sampling without any limitation on the depth of such drilling or soil samples; provided, however, advance notice is given to Grantor and provided Grantee uses the services of a qualified environmental engineer as personnel to guide the work.

2. Easement Property Part 1 and Part 2.

A. The Easement Property is described in Exhibit PE-C hereto and is described as two (2) parts. Part 1 is approximately three (3) acres in size and contains structures including settlement ponds. Part 1 is the subject of the Option to Purchase. Part 2 of the Easement Property consists of the underground sewer line which exclusively serves the Property and the Easement Property Part 1. The parties agree that the use of the improvements on the Easement Property including, but not limited to, the sewer line shall be for the exclusive use of Grantee.

B. After the purchase of the Easement Property Part 1 by Grantee and the conveyance of the Deed to said parcel to Grantee and the completion of all necessary governmental approvals needed to complete that transfer which will make the Easement Property Part 1 part of the Property this Permanent Easement Agreement shall govern the use of the Easement Property Part 2 and shall no longer pertain to, cover or control the Easement Property Part 1.

3. Appurtenant.

The easement created by this Permanent Easement Agreement is appurtenant to the Property, and it shall also be appurtenant to the Easement Property Part 1 if and when the Easement Property Part 1 is purchased by Grantee.

4. Permitted Waste.

For purposes of this Permanent Easement Agreement, the term "Permitted Waste" shall mean waste or material that is not prohibited, or that is allowed by any law, statute, ordinance, agreement, permit, rule, regulation or that is otherwise legally allowed to be treated and/or disposed of on or through the Easement Property or using the equipment, materials and/or devices available thereon.

5. Charges For Use.

Grantee shall pay all charges related to the ongoing use of the aeration tanks and sewer lines (a) during the term of this Permanent Easement, or (b) during the time that Grantee owns Easement Property Part 1 and uses the Easement Property Part 2.

6. Early Termination.

A. The Grantee may terminate the Permanent Easement created hereunder at any time upon the recording by the Grantee of an acknowledged notice of the termination of Permanent Easement created by this Permanent Easement Agreement with the Washington County official responsible for the recording of deeds.

B. In the event that Grantee or its successors does not use the Permanent Easement for a continuous period of two (2) years or more, Grantor may give Grantee written notice that Grantor has elected to terminate the Permanent Easement within ninety (90) days, giving this provision as the reason. During said ninety (90) day period Grantee or its successors may commence use and cure the defect (or may commence proceedings to contest Grantor's assertion under this paragraph). Should the issue of use of the Permanent Easement be directly or indirectly the subject of governmental regulatory proceedings, hearings, or appeals or the subject of litigation (all hereinafter "proceedings"), the two (2) year non-use period shall be tolled until one hundred eighty (180) days after such proceedings are concluded.

7. Limited Obligation to Maintain.

The Grantee, during the term of the Permanent Easement shall, at the Grantee's expense, perform such maintenance and repairs to the tanks and sewer lines located on the Easement Property which are necessary to keep such tanks and sewer lines in good working order. However, the Grantee shall, in no event, be required to upgrade, replace or repair such tanks and sewer lines other than to make such repairs which prevent leakage or result from the normal wear and tear on such Easement Property.

8. Failure to Maintain Easement.

In the event that Grantee fails to maintain or repair the Easement Property as provided herein, Grantor shall not have the right to terminate the Permanent Easement, and Grantor's sole remedy shall be to compel Grantee to specifically perform Grantee's obligations hereunder, and/or to recover from Grantee any damages sustained. In the event that Grantor believes Grantee has breached Grantee's obligations to maintain or repair the Permanent Easement, Grantee shall not be in default under the terms of this Agreement until Grantor has provided to Grantee and Grantee's attorneys, Opton, Galton & Rosenthal c/o Michael Opton, with prior written notice of nonperformance fifteen (15) days prior to declaring the default, during which fifteen (15) day period Grantee may cure such nonperformance by completing any repair or maintenance or beginning the process of such repair or maintenance where completion of the task within fifteen (15) days would not be reasonable. In such circumstances, if Grantee begins the process of repair and/or maintenance within said fifteen (15) day period and continues its efforts at a prudent and reasonable pace thereafter until completion, Grantee shall not be in default of its obligations hereunder.

9. Cooperation.

Grantor and Grantor's successors in interest hereto agree not to remonstrate, resist, object to or otherwise oppose, directly or indirectly, Grantee's use of the Easement Property or

Grantee's use of the Property except that Grantor may object to a use of the Property which use is unrelated to the Property's use for tannery and related purposes.

10. Indemnification.

A. To the extent that third parties assert claims against Grantor, whether such claim or claims are asserted against Grantor separately or against Grantor with others, which claim or claims arise in whole or in part from the affirmative act, or omissions of the Grantee for the period after August 18, 1993, and arising out of Grantee's use of the real property and improvements, including the aeration tanks, on the property defined herein as the Permanent Easement, Grantee shall indemnify and hold harmless Grantor and its officers, directors, employees and agents from any and all damages of any kind or nature, from that portion of said claim or claims, which portion arises from the affirmative acts or omissions of the Grantee for the period after August 18, 1993, and which arise out of the Grantee's use of the real property and improvements, including the aeration tanks, on the property defined herein as the Permanent Easement, including, without limitation, arising from Grantee's use and maintenance of the aeration tanks, sewer lines and other connections. Should the damages not be caused solely by Grantee, Grantee shall indemnify and hold Grantor harmless for whatever damages Grantee is adjudged liable by any court in which judgment is entered against Grantee for the pro rata amount of damages caused by Grantee.

B. None of the provisions for indemnification under this Section 10 shall be applicable with respect to default judgments, confessions of judgment or settlements entered into by Grantor without the prior written consent of the Grantee. Provided, however, that should the Grantee refuse to consent to a settlement approved by the Grantor within thirty (30) calendar days of Grantee's receipt of the request for consent, the Grantor may affect such settlement, pay such amount in settlement as it shall deem reasonable and seek a judicial determination with respect to reimbursement by the Grantee of any loss, liability, damage, cost or expense incurred by the Grantor in connection with such settlement to the extent that such loss, liability, damage, cost or expense was based upon the indemnification set out here Section 10 hereof. Notwithstanding the foregoing, the Grantee shall at all times have the right to offer to settle any matter and if the Grantee successfully negotiates a settlement and tenders payment therefor to the Grantor, the Grantor must either use its best efforts to dispose of the matter in accordance with the terms and conditions of the proposed settlement, or the Grantor may refuse to settle the matter and continue its defense, and, in which latter event, the maximum liability of the Grantee to the Grantor under this indemnity shall be the amount of the proposed settlement. Grantor and Grantee shall act reasonably in so settling any claim.

C. Grantor shall give Grantee, within ^{thirty (30)} ~~thirty (30)~~ days of receiving notice of any claim, notice of any claim as to which Grantor believes it is entitled to indemnification hereunder. Said notice shall include all information regarding the claim available to Grantor, and Grantor's written request for indemnification hereunder.

D. The terms of this indemnity shall survive the termination of the Permanent Easement and the transfer of the Easement Property Part 1 to Grantee but the indemnity shall

only cover the period from August 18, 1993 to the date of such termination or transfer as to Easement Property Part 1.

11. Termination of Permanent Easement and Ejectment.

A. In the event that Grantee fails to pay, in full, all amounts owing to Grantor in accordance with paragraphs 1, 1.1, 1.2, and 1.3 of the Settlement Agreement between the parties hereto of like date herewith, Grantor shall have the right to terminate the Permanent Easement, sue for ejectment from the Permanent Easement, and/or seek to recover damages; provided, however, that Seller must, prior to having the ability to assert a default and prior to taking any remedy, give Grantee and his attorneys, Opton, Galton & Rosenthal (c/o Michael Opton) written notice of non-payment fifteen (15) days prior to declaring a default, during which fifteen (15) day time period, Grantee may cure the non-payment by making the past due payment. This subparagraph 11.A. shall terminate when Grantor has fully paid under paragraphs 1.1, 1.2 and 1.3 of the Settlement Agreement.

B. In the event that Grantee fails to comply with the terms of this Permanent Easement regarding the treatment, disposal and/or discharge of only Permitted Waste, Grantor shall, subject to the terms of this paragraph, have the right to terminate the Permanent Easement established in this Permanent Easement Agreement, sue for ejectment from the easement, and/or seek to recover damages; provided, however, that Grantor may seek such relief and remedy only for the conduct of Grantee and its successors alone. Prior to seeking such relief, Grantor must give Grantee and its attorneys, Opton, Galton & Rosenthal, (c/o Michael P. Opton), ninety (90) days prior written notice before declaring the default or breach hereof. Said notice shall be served as provided herein and shall also be posted on the Easement Property. The notice shall contain a complete description of conduct alleged to be in violation of paragraph 11.B. of the Permanent Easement Agreement and all information available to Grantor regarding that violation. During said ninety (90) day period, Grantee shall have the opportunity to cure said violation by ceasing the violative conduct thereby avoiding the easement termination consequence and the consequences under this paragraph. Should Grantee commence and take the reasonable steps necessary to cease said conduct and should the cessation of the violative conduct reasonably require more than ninety (90) days, then the ninety (90) day time period shall be extended so long as Grantee continues to act reasonable to cure the violative conduct. Except as provided under normal discovery rights in litigation, Grantor shall have no access to Grantee's property or records.

12. Right to Relocate Easement Property Part 2.

A. The parties hereto expressly agree that, subject to the conditions stated in this paragraph 12., Grantor shall have the right to relocate the easement now located on the Easement Property Part 2, as described in Exhibit "PE-C" hereto.

B. In the event that Grantor desires to relocate the easement described above, Grantor shall first give notice to Grantee of Grantor's intention to relocate, which notice shall provide all specifications and time tables for the relocated sewer line and its construction, and evidence of Grantor's compliance with the terms of this Paragraph 12. Notice, as stated in this paragraph 12., shall be given ninety (90) days prior to the proposed commencement of relocation, and

Grantee shall have ninety (90) days from receipt of said notice within which to either grant approval or register its objections and its reasons therefor, to Grantor.

C. Grantor shall have the right to relocate said easement as described in its notice to Grantee referred to in Paragraph 12 B., at Grantor's sole expense, provided Grantor obtains Grantee's prior written approval. Grantee shall not unreasonably withhold approval if the proposed easement, and the sewer line thereon, is similar in function and capacity to that now in existence on the Easement Property Part 2. As used herein, "similar in function and capacity" includes, but is not limited to, materials, gravity of sewer grades, cleanouts, volume, flow, function of line, and access. Grantor's proposed change in the easement shall not subject Grantee to additional maintenance or other operating costs.

D. In the event Grantor desires to exercise its rights under paragraph 12., hereof, Grantor agrees to obtain, at its sole expense, all the proper permits and approvals, including but not limited to, environmental permits, wetlands permits and building permits. In addition, Grantor agrees to undertake, at its sole expense, any required environmental studies and surveys which may be required in connection therewith.

E. Grantor further agrees that no damaging interruption in sewer treatment or service shall be suffered by Grantee as a result of Grantor's planned relocation of the sewer line and easement.

F. Grantor expressly agrees that all costs, including but not limited to those set forth herein, to be incurred or suffered by Grantee and Grantor in connection with Grantor's exercise of its rights under this paragraph 12., shall be borne solely by Grantor and shall be paid in advance or with security satisfactory to Grantee. As used herein, "all costs" includes without limitation those reasonable costs suffered by Grantee and Grantor in reviewing and approving said proposed relocation including studies, surveys and attorneys fees, and all construction costs associated thereto.

G. Grantor further agrees that any proposed replacement line shall contain an easement thirty (30) feet in width, fifteen (15) feet on either side of the center of the proposed replacement line.

H. In the event that Easement Property Part 2 is relocated, all terms and provisions of this Permanent Easement shall remain in force and effect, and Grantor and Grantee agree to execute an amended Permanent Easement Agreement wherein the legal description of the replacement easement is substituted for the legal description now contained in Exhibit "PE-C" hereto.

13. Whereas Clauses.

The parties agree that the "WHEREAS" provisions hereof are incorporated herein and made part hereof and are not a mere recital.

14. Benefit.

This Permanent Easement Agreement inures to the benefit of Grantee, its officers, agents, successors, employees, invitees and governmental regulators involved with the operations on the Easement Property.

15. Attorney's Fees.

Should either party seek to enforce any provision of this Permanent Easement Agreement, the prevailing party in any suit, action or arbitration shall be entitled to recover their reasonable attorney's fees and costs as set by the arbitrator, trial judge or appeals court in which the matter is heard, decided or appealed.

16. Captions.

The captions and section headings in this Permanent Easement Agreement are for convenience only and shall not be construed to limit, define, or modify the meaning of the provisions of this Permanent Easement Agreement.

17. Cooperation.

The Grantor agrees to reasonably cooperate with Grantee's efforts to obtain all necessary approvals and agreements to allow Grantee to purchase the Easement Property Part I. Grantor and successors agree not to remonstrate, resist, object to or otherwise oppose directly or indirectly Grantee's efforts to acquire and utilize the Easement Property. Grantor shall provide all information in its control to assist Grantee in this approval seeking process after recording of the Easement Deed. Grantee shall do all things reasonably necessary to obtain the remaining approvals to complete transfer of the Easement Property Part I to Grantee.

18. Binding Agreement.

This Permanent Easement Agreement shall be binding upon and shall inure to the benefit of the parties hereto, their successors and assigns.

19. Future Assurances.

Each party hereto agrees to execute and deliver upon request any further documents that may be reasonably necessary to effect the terms, conditions and intent of this Permanent Easement Agreement.

20. Assignment.

This Permanent Easement Agreement may not be assigned by either party to anyone other than the successors in interest to the Property, the Easement Property, Part I and the Adjacent Property respectively.

21. Paragraph Headings.

The paragraph headings used herein are for convenience only, do not constitute part of this Permanent Easement Agreement and shall not be deemed to limit or effect any of the provisions hereof.

22. Severability.

The invalidity or un-enforceability of any particular section, subsection, or provision of this Permanent Easement Agreement shall not effect the other sections, subsections, or provisions hereof, and the Permanent Easement Agreement shall be construed in all respects as if such invalid or unenforceable sections, subsections, or provisions were omitted.

23. Amendment.

Other than changes in the address set out in paragraph 26 hereof, any modification hereof shall be in writing signed by the parties hereto in order to be binding.

24. Waiver.

No failure to insist in any one circumstance on full performance of any provision of this Permanent Easement Agreement shall be deemed or shall constitute a waiver of that provision or a waiver of any other provision of this Permanent Easement Agreement, whether or not similar, nor shall any failure to insist on full performance in any one or more circumstances constitute a continuing waiver.

25. Governing Law.

This Permanent Easement Agreement shall be construed pursuant to the laws of the State of Oregon, and each party agrees to be bound hereby and submit to the exclusive jurisdiction in the State Courts of the State of Oregon or the Federal District Court for Oregon for all purposes related to this Permanent Easement Agreement.

26. Notice.

All notices and other communication by the parties made pursuant to the terms hereof shall be made in writing and shall be deemed given to the opposing party three (3) days after deposit into the United States mails, postage prepaid, registered, return receipt requested addressed to the other party as follows:

To Grantor: Linke Enterprises, Inc.
P.O. Box 264
Portland, OR 97207

Copy to: Tom Hooper
Hooper and Englund
1507 Standard Plaza
1100 SW Sixth Avenue
Portland, OR 97204

To Grantee: Frontier Leather Co.
1210 E. Pacific St.
P.O. Box 548
Sherwood, OR 97140

Copy to: Michael P. Opton
Opton, Galton & Rosenthal
1440 American Bank Bldg.
621 SW Morrison Street
Portland, OR 97205

An address may be changed by that party with notice made pursuant hereto and recorded with the Washington County Recorder's Office.

27. Exhibits.

All exhibits hereto are incorporated herein.

28. Real Property Taxes on the Easement Property Part 1 after Purchased by Grantee.

After the purchase of the Easement Property Part 1 by Grantee, and for the period after recording of the Deed to the Easement Property Part 1 (the "Easement Deed"), Grantee shall pay for the benefit of the property and the protection of Grantor the real property taxes attributable to the Easement Property Part 1 until said Easement Property Part 1 is transferred to Grantee on the real property tax rolls of Washington County.

29. Duplicate Originals.

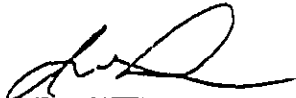
This Agreement shall be executed in duplicate originals, each of which is deemed an original.

IN WITNESS WHEREOF, the parties have caused this Permanent Easement Agreement to be executed on the day and year first above written.

TRANSPACIFIC INTERNATIONAL,

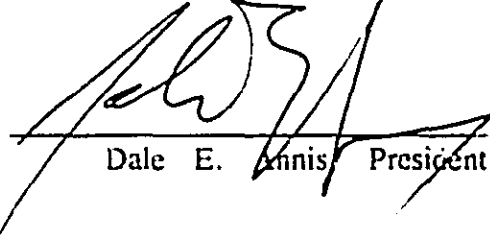
LINKE ENTERPRISES OF OREGON, INC.
INC.

By:



Jay S. Lee, President

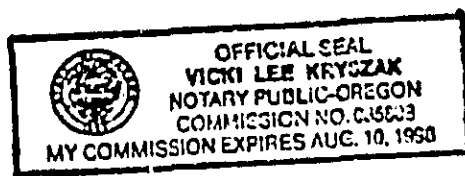
By:



Dale E. Annis, President

STATE OF OREGON)
) ss.
County of Multnomah)

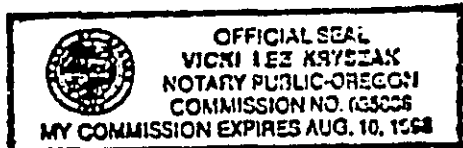
Personally appeared before me this 7th day of August, 1995, Dale E. Annis, being the president of Linke Enterprises of Oregon, Inc., and acknowledged the foregoing was signed in behalf of said corporation by authority of its board of directors, and acknowledged said instrument to be his voluntary act and deed.



Vicki Lee Kryszak
Notary Public for Oregon
My Commission expires: 8/10/98

STATE OF OREGON)
) ss.
County of Multnomah)

Personally appeared before me this 7th day of August, 1995, Jay S. Lee, being the president of Transpacific International, Inc., and acknowledged the foregoing was signed in behalf of said corporation by authority of its board of directors and acknowledged said instrument to be his voluntary act and deed.



Vicki Lee Kryszak
Notary Public for Oregon
My Commission expires: 8/10/98

STATE OF OREGON)
) ss.
County of Multnomah)

Personally appeared before me this _____ day of _____, 1995, _____, being the _____ of United States National Bank, and acknowledged the foregoing was signed in behalf of said corporation by authority of its board of directors and acknowledged said instrument to be his/her voluntary act and deed.

[Signature]
Notary Public for Oregon
My Commission expires:

EXHIBIT LIST

PE-A. The Property

PE-B. Adjacent Property

PE-C. Easement Property

EXHIBIT "PE-A"

THE "PROPERTY"
(PAGE ONE)

PARCEL I:

A tract of land in the Southeast one-quarter of Section 29, Township 2 South, Range 1 West of the Willamette Meridian, in the City of Sherwood, County of Washington and State of Oregon, described as follows:

Beginning at a point on the Section line in the center of the County Road, 772.8 feet East of the quarter-section corner between Sections 29 and 32 in Township 2 South of Range 1 West of the Willamette Meridian, and running thence North 47 42' East 417.9 feet; thence South 282 feet to the center of the County Road, and thence West 309 feet to the place of beginning.

PARCEL II:

A portion of the Southeast one-quarter of Section 29, Township 2 South of Range 1 West, Willamette Meridian, in the City of Sherwood, County of Washington and State of Oregon, which lies Southeast of the Southern Pacific Railway Company's right of way, and further described as follows:

Commencing at the South one-quarter corner of Section 29, Township 2 South of Range 1 West, Willamette Meridian; thence North 89 59' East along the South line of Section 29, Township 2 South of Range 1 West, of Willamette Meridian, a distance of 1351.8 feet to a point, said point being a spike set in the roadway and also being the true point of beginning of the following described property; thence North 0 01' West a distance of 232.32 feet to an iron pipe; thence North 89 59' East a distance of 85.5 feet to an iron pipe; thence South 0 01' East a distance of 232.32 feet to a spike driven in the roadway; thence South 89 59' West a distance of 85.5 feet to the point of beginning.

PARCEL III:

A portion of the Southeast one-quarter of Section 29, Township 2 South, Range 1 West of the Willamette Meridian, in the City of Sherwood, County of Washington, State of Oregon, which lies Southeast of the Southern Pacific Railway Company's right of way, and further described as follows:

Commencing at the South one-quarter corner of Section 29, Township 2 South, Range 1 West of the Willamette Meridian; thence North 89 59' East along the South line of Section 29, Township 2 South, Range 1 West of the Willamette Meridian a distance of 1081.8 feet to a point, said point being a spike set in roadway, and also being the true point of beginning of the following described property; thence North 0 01' East a distance of 282.0 feet to an iron pipe; thence North 47 49' East a distance of

EXHIBIT "PE-A"

THE "PROPERTY"

(PAGE TWO)

363.5 feet to an iron pipe; thence South 0'01' East a distance of 524.2 feet to a spike set in roadway; thence South 89'59' West a distance of 270.0 feet to the point of beginning.

EXCEPTING THEREFROM that portion thereof lying within that tract of land conveyed to American Junior Aircraft Company, an Oregon corporation by Book 340, Page 297, Washington County Book of Records.

PARCEL IV:

That part of the Southeast one-quarter of Section 29, Township 2 South, Range 1 West of the Willamette Meridian, in the City of Sherwood, County of Washington and State of Oregon, describe as follows:

Beginning at a point on the South line of Section 29, which is 1,437.3 feet East of the South one-quarter corner of said section; thence North 0'01' East 232.32 feet; thence South 89'59' West 85.5 feet to an iron pin; thence North 39'09' West 216.4 feet to a point on the Southeasterly right of way line of the railroad; thence North 47'49' East along said right of way line 384.5 feet to an iron pipe; thence North 39'09' West along said right of way line 15.0 feet; thence North 47'49' East 318.1 feet along said right of way line; thence South 0'01' East 885.50 feet to a point in the South line of said section; thence South 89'59' West 289.5 feet to the point of beginning.

EXCEPTING THEREFROM that portion thereof lying within that tract of land conveyed to City of Sherwood by Deed Book 512, Page 460 recorded May 11, 1964.

Exhibit PE-B

the adjacent property

PARCEL I

Beginning at the Southwest corner of Section 28, Township 2 South, Range 1 West of the Willamette Meridian, in the County of Washington and State of Oregon, running thence North on section line 16.41 chains to centerline ditch; thence up said ditch South $21^{\circ}30'$ East 7.92 chains; thence up said ditch South $26^{\circ}0'$ East 10.01 chains to the South line of Section 28; thence West on section line 7.32 chains to the place of beginning.

PARCEL II

Beginning at the Southeast corner of Section 29, Township 2 South, Range 1 West of the Willamette Meridian, in the City of Sherwood, County of Washington and State of Oregon, and running thence North $0^{\circ}20'$ East on the East line of said Section 29 a distance of 1719.3 feet to a point on the Southerly line of a 60.0 foot railroad right of way described on Page 466, of Book "Q", of Washington County, Oregon Deed Records; thence South $47^{\circ}49'$ West on said right of way line 441.5 feet to a corner of a tract of land conveyed for railroad right of way and described on Page 212 of Book 50 of Washington County, Oregon Deed Records; thence South $42^{\circ}11'$ East along a line of said tract 38 feet to a point; thence South $47^{\circ}49'$ West 102 feet to a corner of said tract; thence Southwesterly along a line of said tract 440 feet to a point which bears South $42^{\circ}11'$ East 43 feet from the center line of railroad tract; thence Southwesterly 120 feet to a point on the right of way of said railroad South $42^{\circ}11'$ East 30.0 feet from the center line of said tract; thence South $47^{\circ}49'$ West parallel to the center line of said railroad 138.8 feet to the Northeast corner of a tract of land conveyed to the Sherwood Corporation and described on Page 733 of Volume 277 of Washington County, Oregon Deed Records; thence South $0^{\circ}01'$ East on the East line of said tract and the East line of a tract of land described on Page 319 of Volume 275 of said Deed Records a distance of 885.5 feet to the South line of said Section 29; thence North $89^{\circ}59'$ East 911.4 feet to the place of beginning.

PART 1:

Description:

AMENDED LEGAL DESCRIPTION:

A parcel of land in the Southeast one-quarter of Section 29, Township 2 South, Range 1 West, of the Willamette Meridian, in the City of Sherwood, County of Washington and State of Oregon, more particularly described as follows:

Beginning at the Southeast corner of said Section 29; thence South 89°59' West along the South line of said Section 29 to the point of intersection with the Southerly extension of the East line of a tract of land described on Page 319 of Volume 275 of Washington County, Oregon Deed Records; thence North 00°01'00" West along the Southerly extension of the above mentioned East line and the East line of that tract of land conveyed to the Sherwood Corporation as described on Page 733 of Volume 277 of Washington County, Oregon Deed Records, 347.41 feet to the true point of beginning; thence North 89°59'00" East 350.00 feet; thence North 00°01'00" West 400.00 feet; thence South 89°59'00" West 225.00 feet; thence South 44°59'00" West 176.78 feet to the said Sherwood Corporation East line; thence along said East line South 00°01'00" East 275.00 feet to the true point of beginning.

EXHIBIT PE-C

EASEMENT PROPERTY Part 2

A strip of land 30.00 feet in width located in Sections 28 and 29, Township 2 South, Range 1 West of the Willamette Meridian, in the City of Sherwood, County of Washington and State of Oregon, and lying 15.00 feet on each side of the following described centerline:

beginning at a manhole which bears North 80°33'10" East 349.60 feet from the common corner of Sections 28, 29, 32 and 33, Township 2 South, Range 1 West of the Willamette Meridian, in the County of Washington and State of Oregon and running thence North 58°24'10" West 210.00 feet to a point; thence South 76°35'50" West 58.00 feet to a point; thence North 58°24'10" West 100.00 feet to a point; thence South 69°17'00" West 30.00 feet to a point; thence North 57°38'10" West 97.50 feet to a point; thence South 80°57'00" West 180.00 feet to a point; thence South 58°27'00" West 47.30 feet to a point; thence South 88°27'00" West 20.00 feet to a point; thence North 46°33'00" West 326.10 feet to a point; thence North 1°00'00" West 19.00 feet to a point; thence North 30°00'00" West toward the terminus of said centerline.

Exhibit PE-C

18

AC 103320
LAWYERS



01500674201000535930070072

I, Richard Hobemicht, Director of Assessment and Taxation and Ex-Officio County Clerk for Washington County, Oregon, do hereby certify that the within instrument of writing was received and recorded in the book of records of said county.



Richard Hobemicht, Director of Assessment and Taxation, Ex-Officio County Clerk

Grantor:
PACIFIC III, LLC
16004 S.W. Tualatin Sherwood Road, Suite 432
Sherwood, OR 97140

Grantee:

AFTER RECORDING RETURN TO:
Charles Taylor
P.O. Box 1452
Lake Oswego, OR 97035

ACCESS EASEMENT AGREEMENT

(Parcel 1 servient, Lot 600 dominant)

This ACCESS EASEMENT AGREEMENT (this "Agreement") is made this 12 day of May 2010, by PACIFIC III, LLC, an Oregon limited liability company, as "Grantor."

RECITALS

A. WHEREAS, Grantor owns certain real property located in the County of Washington, State of Oregon and more particularly described as Parcel 1, PARTITION PLAT 2003-030, in the City of Sherwood, County of Washington, State of Oregon ("Parcel 1");

B. WHEREAS, Grantor desires to provide and grant an easement over Parcel 1 for the benefit of that certain real property located in the County of Washington, State of Oregon and more particularly described as follows:

Parcel I.

Beginning at the Southwest corner of Section 28, Township 2 South, Range 1 West of the Willamette Meridian, in the County of Washington and State of Oregon, running thence North on section line 16.41 chains to centerline ditch; thence up said ditch South 21°30' East 7.92 chains; thence up said ditch South 26°0' East 10.01 chains to the South line of Section 28; thence West on section line 7.32 chains to the place of beginning.

THIS DOCUMENT IS A LEGAL INSTRUMENT. IT IS ACCEPTED FOR THE CONDITION OF TITLE OR FOR THE CONDITION OF INTEREST, AND THE SIGNATURES, CAPTION, OR EFFECT OF THIS DOCUMENT ARE NOT VALID UNLESS THE SIGNATURES ARE MADE BY THE PERSONS WHOSE NAMES ARE SET FORTH THEREIN.

Parcel II.

Beginning at the Southeast corner of Section 29, Township 2 South, Range 1 West of the Willamette Meridian, in the City of Sherwood, County of Washington and State of Oregon, and running thence North 0°20' East on the East line of said Section 29 a distance of 1719.3 feet to a point on the Southerly line of a 60.0 foot railroad right of way described on Page 466, of Book "Q", of Washington County, Oregon Deed Records; thence South 47°49' West on said right of way line 441.5 feet to a corner of a tract of land conveyed for railroad right of way and described on Page 212 of Book 50 of Washington County, Oregon Deed Records; thence South 42°11' East along a line of said tract 38 feet to a point; thence South 47°49' West 102 feet to a corner of said tract; thence Southwesterly along a line of said tract 440 feet to a point which bears South 42°11' East 43 feet from the center line of railroad tract; thence Southwesterly 120 feet to a point on the right of way of said railroad South 42°11' East 30.0 feet from the center line of said tract; thence South 47°49' West parallel to the center line of said railroad 138.8 feet to the Northeast corner of a tract of land conveyed to the Sherwood Corporation and described on Page 733 of Volume 277 of Washington County, Oregon Deed Records; thence South 0°01' East on the East line of said tract and the East line of a tract of land described on Page 319 of Volume 275 of said Deed Records a distance of 885.5 feet to the South line of said Section 29; thence North 89°59' East 911.4 feet to the place of beginning.

Together, Parcel I and Parcel II are herein called ("Lot 600");

C. WHEREAS, Grantor desires to create the easement described herein for the purpose of ingress and egress over Grantor's Parcel 1 for the benefit of Lot 600 and the general public at large in accordance with City of Sherwood land use approval for SP 07-08.

D. WHEREAS, as of the date of the execution and recording of this Easement, the fee title owner of Lot 600 is undetermined; and

E. WHEREAS, upon the determination by Grantor or other party of the lawful fee title owner of Lot 600, such owner shall be required to participate in a tri-party maintenance agreement regarding the maintenance, repair and upkeep of the Easement.

AGREEMENT

NOW, THEREFORE, in consideration of the covenants contained herein and the consideration described herein, the parties agree as follows:

1. **Incorporation of Recitals.** The Recitals set forth above are true and accurate and are incorporated herein as though set forth in full.

///



2. Grant of Easement. Grantor grants to Lot 600 a nonexclusive, reciprocal easement to be used for ingress, egress and utility purposes over and across the land currently owned by Grantor as more specifically described in the legal description attached hereto as Exhibit A and by this reference incorporated herein and as illustrated on the map attached here to as Exhibit B and by this reference incorporated herein (the "Easement").

3. Use of Easement. Grantor grants this Easement for use by Lot 600 and the public at large, for the non-exclusive purpose of accessing Lot 600 in accordance with City of Sherwood land use approval for SP 07-08. Grantor reserves the right to engage in any use compatible with the full enjoyment of Lot 600's rights granted herein, including the right to grant other easements. Use of the Easement by Lot 600 and the public at large to access Lot 600 shall be secondary subject to principal access to Lot 600 being provided directly via Oregon Street.

4. Maintenance. At such time that the lawful fee-title owner of Lot 600 is determined, such owner shall be required to become a party to a tri-party maintenance agreement that provides for the maintenance, repair and upkeep of the Easement. The parties to such maintenance agreement shall be Grantor, the owner of Lot 600 and the owner of adjacent Lot 602, and such maintenance agreement shall generally provide that the three parties shall share equally in the costs and expenses for the maintenance, repair and upkeep of the Easement and that such maintenance agreement shall be recorded as an encumbrance against each of the affected properties.

5. Consideration. The true and actual consideration for this grant of easement is no money, but consists of other valuable consideration. As this instrument does not convey or contract to convey fee title, compliance with ORS 93.030 is not required.

6. Exceptions of Record. The Easement is granted subject to all prior easements or encumbrances of record.

7. Remedies. In the event the owner of Lot 600 breaches or fails to perform or observe any of the terms and conditions set forth in this Agreement or in such maintenance agreement as provided in Section 4 above, and the owner of Lot 600 fails to cure such breach or default within ninety (90) days of Grantor's giving the owner of Lot 600 written notice thereof, or, if the breach or default is not susceptible of cure within ninety (90) days, the owner of Lot 600 fails to commence to cure within such period and thereafter diligently proceed to complete such cure, then Grantor may seek any and all legal remedies available to Grantor except that Grantor may not terminate the owner of Lot 600's rights under this Agreement and Grantor may not terminate the Easement, except as provided in Section 8 below.

8. Termination of Easement. The Easement provided in this Agreement shall be permanent and irrevocable except upon the written consent of Grantor or Grantor's successor in interest, the current fee title owners of Lot 600 and adjacent Lot 602 and the City of Sherwood.

9. Severability. Any provision of this Agreement that is deemed invalid or unenforceable shall be ineffective to the extent of such invalidity or unenforceability, without rendering invalid or unenforceable the remaining provisions of this Agreement.

10. Notices. All notices or other communications required or permitted hereunder shall be in writing, and shall be personally delivered (including by means of professional messenger



service) or sent by registered or certified mail, postage prepaid, return receipt requested, and shall be deemed received three (3) days after deposit in the United States mail.

If to Grantor: Pacific III, LLC
16004 S.W. Tualatin Sherwood Road, Suite 432
Sherwood, OR 97140
Attn: J. Patrick Lucas

with a copy to: _____

If to Lot 600: _____

with a copy to: _____

11. Further Assurances. The parties each agree, at the request of the other party, at any time and from time to time after the date hereof, to execute and deliver all such further documents as may be reasonably necessary or appropriate in order to confirm, record or carry out the provisions of this Agreement.

12. Resolution by Arbitration. Any disagreements associated with this said Agreement or Easement are to be resolved via binding arbitration pursuant to the Washington County Circuit Court arbitration rules, with the presiding judge of the Washington County Circuit Court appointing one arbitrator whose decision will be binding and final. The non-prevailing party is to pay the cost of the arbitration.

13. Other Remedies Available. Any property owner is entitled to all remedies at law and equity associated with any breach of any term or condition of this Agreement or the Easement by any other property owner.

14. Attorney's Fees. If any suit or action arising out of or related to this Agreement is brought by any party, the prevailing party or parties shall be entitled to recover the costs and fees (including without limitation reasonable attorneys' fees, the fees and costs of experts and consultants, copying, courier and telecommunication costs, and deposition costs and all other costs of discovery) incurred by such party or parties in such suit or action, including without limitation any post-trial or appellate proceeding, or in the collection or enforcement of any judgment or award entered or made in such suit or action.



IN WITNESS WHEREOF, Pacific III, LLC has caused this instrument to be executed the day and year first written above.

GRANTOR:

Pacific III, LLC



By: J. Patrick Lucas

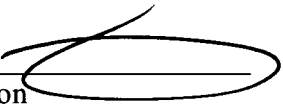
Its: Member

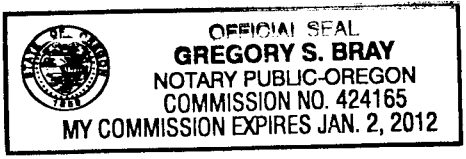
State of Oregon)

)

County of Clackamas)

The foregoing instrument was acknowledged before me on this 12th day of May, 2010, by J. Patrick Lucas, as Member of Pacific III, LLC, as Grantor, and who acknowledged the foregoing to be his voluntary act and deed.

92 
Notary Public for Oregon
My Commission expires: 1.2.12





T.L. 600
Easement Legal

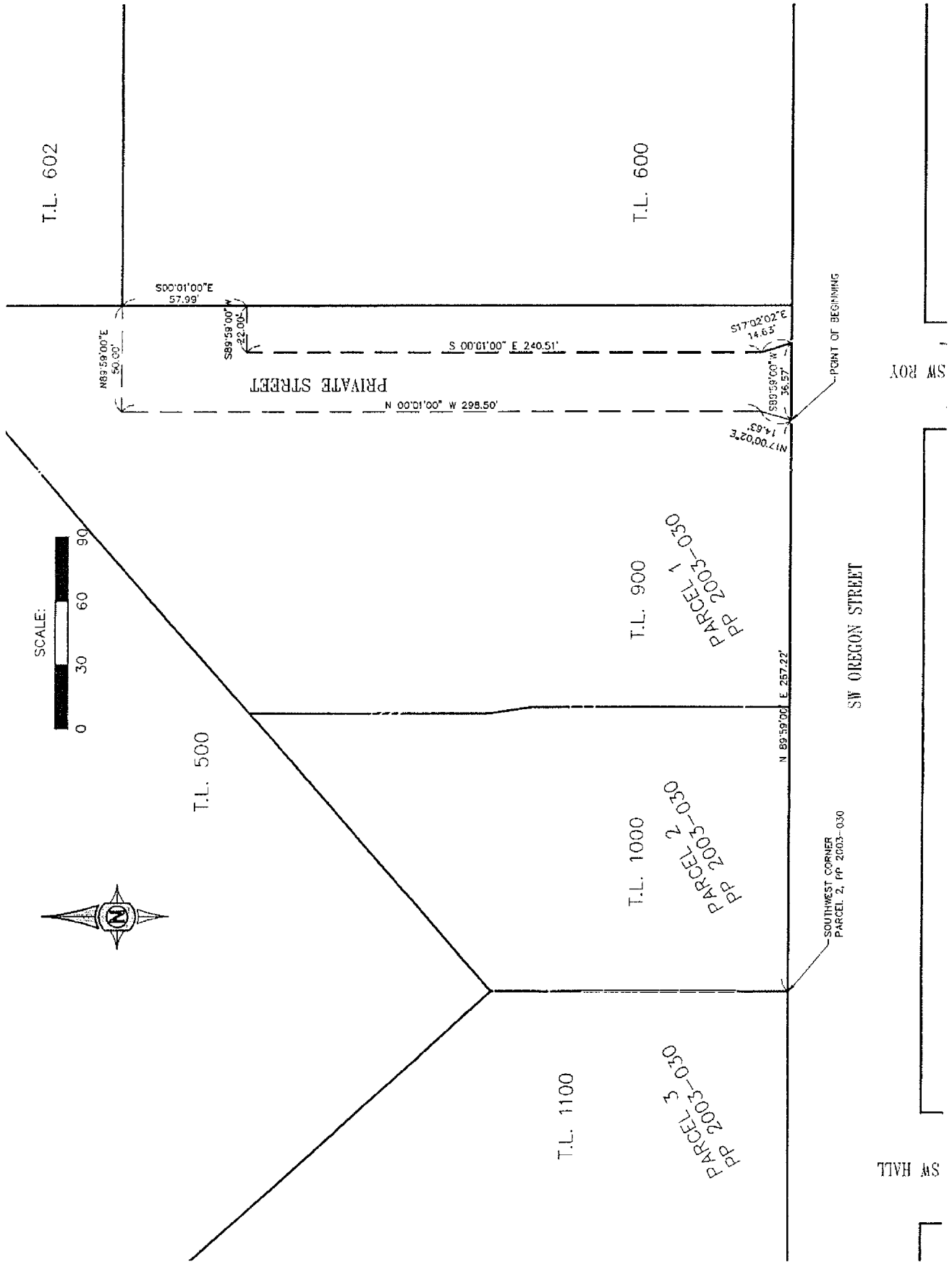
A portion of land in the Southeast $\frac{1}{4}$ of Section 29, Township 2 South, Range 1 West of the Willamette Meridian, in the City of Sherwood, Washington County, Oregon, more particularly described as follows:

Beginning at a point on the North right-of-way line of Oregon Street North $89^{\circ}59'00''$ East 267.22 feet from the Southwest corner of Parcel 2 of Partition Plat 2003-30, Washington County Plat Records; thence North $17^{\circ}00'02''$ East 14.63 feet; thence North $00^{\circ}01'00''$ West 298.50 feet; thence $89^{\circ}59'00''$ East 50.00 feet; thence South $00^{\circ}01'00''$ East 57.99 feet; thence South $89^{\circ}59'00''$ West 22.00 feet; thence South $00^{\circ}01'00''$ East 240.51 feet; thence South $17^{\circ}02'02''$ East 14.63 feet to a point on the North right-of-way line of Oregon Street; thence along said North right-of-way line South $89^{\circ}59'00''$ West 36.57 feet to the point of beginning.

T.L. 600 EASEMENT EXHIBIT



SCALE:



AG1033701

CLERK'S OFFICE



01500675201000535940070079

I, Richard Hobernicht, Director of Assessment and Taxation and Ex-Officio County Clerk for Washington County, Oregon, do hereby certify that the within instrument of writing was received and recorded in the book of records of said county.

Richard Hobernicht, Director of Assessment and Taxation, Ex-Officio County Clerk



Grantor:
PACIFIC III, LLC
16004 S.W. Tualatin Sherwood Road, Suite 432
Sherwood, OR 97140

Grantee:

AFTER RECORDING RETURN TO:
Charles Taylor
P.O. Box 1452
Lake Oswego, OR 97035

ACCESS EASEMENT AGREEMENT

(Parcel 1 servient, Lot 602 dominant)

This ACCESS EASEMENT AGREEMENT (this "Agreement") is made this 12 day of May 2010, by and between PACIFIC III, LLC, an Oregon limited liability company, as "Grantor."

RECITALS

A. WHEREAS, Grantor owns certain real property located in the County of Washington, State of Oregon and more particularly described as Parcel 1, PARTITON PLAT 2003-030, in the City of Sherwood, County of Washington, State of Oregon ("Parcel 1").

B. WHEREAS, Grantor desires to provide and grant an easement over Parcel 1 for the benefit of that certain real property situated in the Southwest quarter of Section 29, Township 2 South, Range 1 West of the Willamette Meridian, in the City of Sherwood, Washington County, Oregon being more particularly described as follows:

Commencing at the Southwest corner of the Southeast quarter of said Section 29; THENCE North 89°59'00" East along the South line of said Southeast quarter of Section 29 a distance of 1726.21 feet to the southerly extension of the West line of that parcel conveyed to Frontier Leather Company by document recorded in Book 467, Page 108 (dated July 2, 1962), Washington County Deed Records; THENCE North 00°01'00" West a distance of 20.00 feet to the Southwest corner of said Frontier Leather Company parcel and the TRUE POINT OF BEGINNING; THENCE North 00°01'00" West along the West line thereof a distance of 327.41 feet to the Southwest corner of that parcel conveyed to Transpacific International, Inc. by document 96082349 (dated September

THIS DOCUMENT IS ACCEPTED FOR THE RECORD FOR THE EFFECT OF THIS DOCUMENT.

13, 1996), Washington County Deed Records; THENCE North 89°59'00" East along the South line thereof a distance of 350.00 feet to the Southeast corner thereof; THENCE North 00°01'00" West along the East Line thereof a distance of 400.00 feet to the Northeast corner thereof; THENCE South 89°59'00" West along the North line thereof a distance of 225.00 feet to an angle point therein; THENCE South 44°59'00" West continuing along said North line a distance of 176.78 feet to a point on the West line of the aforementioned Frontier Leather Company parcel; THENCE South 00°01'00" East along said West line a distance of 168.36 feet; THENCE South 48°52'28" West a distance of 426.44 feet; THENCE North 42°10'49" West a distance of 295.85 feet to the Southeasterly right-of-way line of Southern Pacific Railroad, said point being 45.00 feet from, when measured at right angles to, the centerline of said railroad; THENCE South 47°49'15" West along said Southeasterly right-of-way line a distance of 545.21 feet to a point on the North right-of-way line of N.E. Oregon Street, said point being 27.00 feet from, when measured at right angles to, the centerline of said N.E. Oregon Street; THENCE North 89°59'00" East along said North right-of-way line a distance of 635.11 feet to an angle point therein; THENCE South 00°01'00" East continuing along said North right-of-way line a distance of 7.00 feet, to a point being 20.00 feet from, when measured at right angles to the centerline of said N.E. Oregon Street; THENCE North 89°59'00" East continuing along said North right-of-way line a distance of 39.00 feet to the Southwest corner of that parcel conveyed to the City of Sherwood by document recorded in Book 512, Page 460 (dated March 11, 1964), Washington County Deed Records; THENCE North 00°01'00" West along the West line thereof a distance of 50.00 feet to the Northwest corner thereof; THENCE North 89°59'00" East along the North line thereof a distance of 50.00 feet to the Northeast corner thereof; THENCE South 00°01'00" East along the East line thereof a distance of 50.00 feet to the Southeast corner thereof, said point being on the North right-of-way line of N.E. Oregon Street, being 20.00 feet from, when measured at right angles to the centerline; THENCE North 89°59'00" East along said North right-of-way line a distance of 199.92 feet to the TRUE POINT OF BEGINNING.

Herein called ("Lot 602");

C. WHEREAS, Grantor desires to create the easement described herein for the purpose of ingress and egress over Grantor's Parcel 1 for the benefit of Lot 602 and the general public at large in accordance with City of Sherwood land use approval for SP 07-08;

D. WHEREAS, as of the date of the execution and recording of this Easement, the fee title owner of Lot 602 is undetermined; and

E. WHEREAS, upon the determination by Grantor or other party of the lawful fee title owner of Lot 602, such owner shall be required to participate in a tri-party maintenance agreement regarding the maintenance, repair and upkeep of the Easement.

AGREEMENT

NOW, THEREFORE, in consideration of the covenants contained herein and the consideration described herein, the parties agree as follows:

1. **Incorporation of Recitals.** The Recitals set forth above are true and accurate and are incorporated herein as though set forth in full.
2. **Grant of Easement.** Grantor grants to Lot 602 a nonexclusive, reciprocal easement to be used for ingress, egress and utility purposes over and across the land currently owned by Grantor as more specifically described in the legal description attached hereto as Exhibit A and by this reference incorporated herein and as illustrated on the map attached here to as Exhibit B and by this reference incorporated herein (the "Easement").
3. **Use of Easement.** Grantor grants this Easement for use by Lot 602 and the public at large, for the non-exclusive purpose of accessing Lot 602 in accordance with City of Sherwood land use approval for SP 07-08. Grantor reserves the right to engage in any use compatible with the full enjoyment of Lot 602's rights granted herein, including the right to grant other easements. Use of the Easement by Lot 602 and the public at large to access Lot 602 shall be secondary subject to principal access to Lot 602 being provided directly via Oregon Street
4. **Maintenance.** At such time that the lawful fee-title owner of Lot 602 is determined, such owner shall be required to become a party to a tri-party maintenance agreement that provides for the maintenance, repair and upkeep of the Easement. The parties to such maintenance agreement shall be Grantor, the owner of Lot 602 and the owner of adjacent Lot 600, and such maintenance agreement shall generally provide that the three parties shall share equally in the costs and expenses for the maintenance, repair and upkeep of the Easement and that such maintenance agreement shall be recorded as an encumbrance against each of the affected properties.
5. **Consideration.** The true and actual consideration for this grant of easement is no money, but consists of other valuable consideration. As this instrument does not convey or contract to convey fee title, compliance with ORS 93.030 is not required.
6. **Exceptions of Record.** The Easement is granted subject to all prior easements or encumbrances of record.
7. **Remedies.** In the event the owner of Lot 602 breaches or fails to perform or observe any of the terms and conditions set forth in this Agreement or in such maintenance agreement as provided in Section 4 above, and the owner of Lot 602 fails to cure such breach or default within ninety (90) days of Grantor's giving the owner of Lot 602 written notice thereof, or, if the breach or default is not susceptible of cure within ninety (90) days, the owner of Lot 602 fails to commence to cure within such period and thereafter diligently proceed to complete such cure, then Grantor may seek any and all legal remedies available to Grantor except that Grantor may not terminate the owner of Lot 602's rights under this Agreement and Grantor may not terminate the Easement, except as provided in Section 8 below.

///

8. Termination of Agreement. The Easement provided in this Agreement shall be permanent and irrevocable except upon the written consent of Grantor or Grantor's successor in interest, the current fee title owners of Lot 602 and adjacent Lot 600 and the City of Sherwood.

9. Severability. Any provision of this Agreement that is deemed invalid or unenforceable shall be ineffective to the extent of such invalidity or unenforceability, without rendering invalid or unenforceable the remaining provisions of this Agreement.

10. Notices. All notices or other communications required or permitted hereunder shall be in writing, and shall be personally delivered (including by means of professional messenger service) or sent by registered or certified mail, postage prepaid, return receipt requested, and shall be deemed received three (3) days after deposit in the United States mail.

If to Grantor: Pacific III, LLC
16004 S.W. Tualatin Sherwood Road, Suite 432
Sherwood, OR 97140
Attn: J. Patrick Lucas

with a copy to: _____

If to Lot 602: _____

with a copy to: _____

11. Further Assurances. The parties each agree, at the request of the other party, at any time and from time to time after the date hereof, to execute and deliver all such further documents as may be reasonably necessary or appropriate in order to confirm, record or carry out the provisions of this Agreement.

12. Resolution by Arbitration. Any disagreements associated with this said Agreement or Easement are to be resolved via binding arbitration pursuant to the Washington County Circuit Court arbitration rules, with the presiding judge of the Washington County Circuit Court appointing one arbitrator whose decision will be binding and final. The non-prevailing party is to pay the cost of the arbitration.



13. **Other Remedies Available.** Any property owner is entitled to all remedies at law and equity associated with any breach of any term or condition of this Agreement or the Easement by any other property owner.

14. **Attorney's Fees.** If any suit or action arising out of or related to this Agreement is brought by any party, the prevailing party or parties shall be entitled to recover the costs and fees (including without limitation reasonable attorneys' fees, the fees and costs of experts and consultants, copying, courier and telecommunication costs, and deposition costs and all other costs of discovery) incurred by such party or parties in such suit or action, including without limitation any post-trial or appellate proceeding, or in the collection or enforcement of any judgment or award entered or made in such suit or action.

IN WITNESS WHEREOF, Pacific III, LLC has caused this instrument to be executed the day and year first written above.

GRANTOR:

Pacific III, LLC




By: J. Patrick Lucas

Its: Member

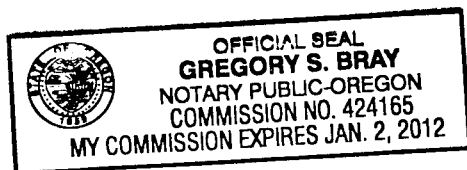
State of Oregon)

County of Clatsop)

The foregoing instrument was acknowledged before me on this 12 day of May, 2010, by J. Patrick Lucas, as Member of Pacific III, LLC, as Grantor, and who acknowledged the foregoing to be his voluntary act and deed.

92. 
Notary Public for Oregon

My Commission expires: 1-2-12



T.L. 602
Easement Legal

A portion of land in the Southeast $\frac{1}{4}$ of Section 29, Township 2 South, Range 1 West of the Willamette Meridian, in the City of Sherwood, Washington County, Oregon, more particularly described as follows:

Beginning at a point on the North right-of-way line of Oregon Street North $89^{\circ}59'00''$ East 267.22 feet from the Southwest corner of Parcel 2 of Partition Plat 2003-30, Washington County Plat Records; thence North $17^{\circ}00'02''$ East 14.63 feet; thence North $00^{\circ}01'00''$ West 349.49 feet; thence $89^{\circ}59'00''$ East 50.00 feet; thence South $00^{\circ}01'00''$ East 50.99 feet; thence South $89^{\circ}59'00''$ West 22.00 feet; thence South $00^{\circ}01'00''$ East 298.50 feet; thence South $17^{\circ}02'02''$ East 14.63 feet to a point on the North right-of-way line of Oregon Street; thence along said North right-of-way line South $89^{\circ}59'00''$ West 36.57 feet to the point of beginning.

T.L. 602 EASEMENT EXHIBIT

